

**§ 57.302 Definitions.**

As used in this subpart:

*Academic year* means the traditional, approximately 9-month September to June annual session. For the purpose of computing academic year equivalents for students who, during a 12-month period, attend for a longer period than the traditional academic year, the academic year will be considered to be of 9 months' duration.

*Act* means the Public Health Service Act, as amended.

*Community health center* means an entity as defined under section 330(a) of the Public Health Service Act, and in regulations at 42 CFR 51c.102(c).

*Date upon which a student ceases to be a full-time or half-time student* means the first day of the month which is nearest to the date upon which an individual ceases to be a full-time or half-time student, as defined in this section.

*Default* means the failure of a borrower of a loan made under this subpart to make an installment payment when due, or comply with any other term of the promissory note for such loan, except that a loan made under this subpart shall not be considered to be in default if the loan is discharged in bankruptcy, the borrower's repayment schedule has been renegotiated and the borrower is complying with the renegotiated schedule, or the loan is in forbearance.

*Federal capital loan* means a loan made by the Secretary to a school under section 827(a) of the Act, as in effect prior to July 29, 1975, the proceeds of which are to be returned to the Secretary.

*Full-time student* means a student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a diploma in nursing, an associate degree in nursing or an equivalent degree, a baccalaureate degree in nursing or an equivalent degree, or a graduate degree in nursing.

*Good standing* means the eligibility of a student to continue in attendance at the school where he or she is enrolled as a student in accordance with the school's standards and practices.

*Grace period* means the period of 9 months beginning on the date upon

which a student ceases to be a full-time or half-time student at a school of nursing.

*Half-time student* means a student who is enrolled in a school and pursuing a course of study which constitutes at least one-half of a full-time academic workload but less than a full-time academic workload, as determined by the school, leading to a diploma in nursing, an associate degree in nursing or an equivalent degree, a baccalaureate degree in nursing or an equivalent degree, or a graduate degree in nursing.

*Indian Health Service health center* means a health care facility (whether operated directly by the Indian Health Service or operated by a tribal contractor or grantee under the Indian Self-Determination Act), which is physically separated from a hospital, and which provides one or more clinical treatment services, such as physician, dentist or nursing services, available at least 40 hours a week for outpatient care to persons of Indian or Alaska Native descent.

*Institutional capital contribution* means the money provided by a school, in an amount not less than one-ninth of the Federal capital contribution, and deposited in a nursing student loan fund.

*Migrant health center* means an entity as defined under section 329(a) of the Public Health Service Act, and in regulations at 42 CFR 56.102(g).

*National of the United States* means: (1) A citizen of the United States, or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States, as defined in the Immigration and Nationality Act, at 8 U.S.C. 1101(a)(22).

*Native Hawaiian health center* means an entity (as defined in section 8 of Public Law 100-579)—

(a) Which is organized under the laws of the State of Hawaii,

(b) Which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable,

(c) Which is a public or private non-profit entity, and

(d) In which Native Hawaiian health practitioners significantly participate

in the planning, management, monitoring, and evaluation of health services.

*Nursing facility* means a facility as defined in section 1919(a) of the Social Security Act (SSA) (for fiscal year (FY) 1991 and subsequent fiscal years), except for FYs 1989 and 1990, the term means a "skilled nursing facility," as such term is defined in section 1861(j) of the SSA, and an "intermediate care facility," as such term is defined in section 1905(c) of such Act.

*Nursing student loan* means the amount of money advanced to a student by a school from a nursing student loan fund under a properly executed promissory note.

*Registered nurse* means an individual who has been licensed by a State Board of Nursing to practice professional nursing in accordance with State licensing laws requiring as a minimum one of the degrees or diplomas specified in this section.

*Rural health clinic* means an entity as defined under section 1861(aa)(2) of the Social Security Act, and in regulations at 42 CFR 491.2.

*School* means a public or other non-profit school of nursing, as defined in section 853 of the Act.

*Secretary* means the Secretary of Health and Human Services and any other officer or employee to whom the authority involved has been delegated.

*State* means, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.

[50 FR 34434, Aug. 23, 1985, as amended at 52 FR 10195, Mar. 30, 1987; 53 FR 46554, Nov. 17, 1988; 56 FR 13771, Apr. 4, 1991; 61 FR 6123, Feb. 16, 1996]

#### § 57.303 Application by school.

(a) Each school seeking a Federal capital contribution must submit an application at the time and in the form and manner that the Secretary may require. The application must be signed by an individual authorized to act for the applicant and to assume on behalf of the applicant the obligations im-

posed by the statute, the regulations of this subpart, and the terms and conditions of the award.

(b) Each application will be reviewed to determine eligibility and the reasonableness of the amount of Federal support requested. The Secretary may require the applicant to submit additional data for this purpose.

(c) An application will not be approved unless an agreement between the Secretary and the applicant school for a Federal capital contribution under section 835 of the Act is reached.

[50 FR 34434, Aug. 23, 1985, as amended at 56 FR 13771, Apr. 4, 1991; 57 FR 45735, Oct. 5, 1992]

#### § 57.304 Payment of Federal capital contributions and reallocation of funds remitted to the Secretary.

(a) *Annual payment.* The Secretary will make payments at a time determined by him or her, to each school with which he or she has entered into an agreement under the Act.

(1) For any fiscal year for which "set-aside" funds are available, the Secretary will first make payments in the manner described in (a)(2) of this section of not less than \$1,000,000 of the amount of Federal funds determined by the Secretary at the time of payment to be available for making loans under this subpart. These funds will be paid to schools submitting an application for "set-aside" funds to be used only for the purpose of making loans to individuals qualified to receive loans under this subpart who, on the date they receive the loan, have not been employed on a full-time basis or been enrolled in any educational institution on a full-time basis for at least 7 years. An individual may not receive a loan under this subparagraph that exceeds \$500 for any academic year.

(2) If the total of the amounts requested for any fiscal year by all schools for Federal capital contributions minus the amount received under paragraph (a)(1) of this section exceeds the amount of Federal funds determined by the Secretary at the time of payment to be available for this purpose, the payment to each school will be reduced to whichever is smaller: (i) The amount requested in the application, or (ii) an amount which bears the